

Economic Development Assessment of Goals & Objectives

Introduction

The Cambridge community's overall quality of life is based, in part, on business growth and stability. The Economic Development Division's efforts focus on activities designed to meet the City's need for a diversified and thriving economic base by providing a broad range of services to assist small businesses including supporting entrepreneurship, working to maintain a diversified employment base and revitalizing businesses in the City's commercial districts.

Toward this end, the Division has several programs that are operated internally and others that work with collaborative partnerships. We will continue to form alliances with support agencies to provide assistance to low-income, small businesses in order to increase their ability to provide job opportunities for our residents and the goods and services they need.

Objective #1: Cultivate a supportive environment for entrepreneurship; enhance the growth of Cambridge's economy by stabilizing income eligible micro-enterprises with business development services.

- **Non-profit Sponsored Programs**

The Department continued its support of Cambridge small business by contracting with a non-profit organization, The Cambridge Business Development Center (CBDC), to provide pre-business and business development educational services for low and low-moderate income micro-enterprises through workshops, seminars, and class series. Business Planning workshops targeted clientele typically in a pre-business development stage. Clientele learned to understand the essential elements of a business plan and the purpose for having one. Emphasis was more on whether the proposed business can be feasible than on developing a polished written document. Topics such as understanding the market for a product or service, understanding the competition, and simple financial projections to assess whether the business can be viable were covered. The program served only income eligible, aspiring or existing micro-enterprises. Getting Started In Business seminars introduced aspiring entrepreneurs to the fundamentals of launching a business. Business Basics for Family Child Care Provider classes had clientele learn to prepare a business concept statement, to define their target value and target market, to produce simple marketing materials including a brochure and business cards; clientele learned to establish contractual materials related to the services offered and incorporate them into a parent handbook; clientele learned the basics of business and personal financial planning.

Outreach and marketing activities include meetings with other non-profit organizations that serve low-mod income clientele for exchange of information on programs, advertise in their newsletters and explore other possible collaborations, direct and partner postcard mailings, e-mails to other class participants, flyering to low-mod income housing areas and community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV and radio stations, a listing on websites including Agency, Career Source and a local sponsor bank.

Accomplishments: During the reporting period, fiscal year 2003, 75 micro-enterprises received assistance from the Cambridge Business Development Center. The center provided seminars on “Getting Started in Business” attended by 25 clients; workshops in “Business Planning” attended by 30 clients and classes for “Business Basics for Family Child Care Providers” attended by 5 clients. A new initiative “Financial Literacy Training”, offered to eligible residents from the Neighborhood Revitalization Strategy Area, served 15 clients. For more detail on this workshop refer to the Neighborhood Revitalization Strategy Area section.

Objective #2: Promote Thriving Retail Districts

- **Best Retail Practices Program**

Best Retail Practices is designed to assist Cambridge retailers, restaurateurs and storefront service businesses improve the interior appearance and design of their establishments, their marketing and the operating efficiency of their businesses. The City hired 2 consultants to provide expert advice to participants about such topics as lighting, window display, interior layout, color and signage, as well as management issues, security and marketing.

The program was divided into three phases. The first two phases were offered during the reporting period. Phase I was a Workshop offered to all Cambridge retailers and used as an outreach activity to find income eligible micro-enterprises to participate in Phase II.

At the workshop the City's consultant gave a Power-Point presentation of visual examples of best retail practices and provided a handout of the presentation and "tips" on marketing and design for participants to take back to their establishments. Eligibility requirements (according to HUD guidelines) were explained by City staff and applications for Phase II were taken from eligible applicants.

Phase II provided individual in-store consultations to eligible applicants. The consultants and EDD staff visited participant businesses, made recommendations for improvements and sent a detailed written report to the store-owners of the suggested recommendations, including helpful sketches and photographs. After a 4 week period, the businesses received a follow-up visit to address any questions and see if the recommended changes had been implemented. A written report on the follow-up visit was then sent to each participant. The participants were asked to fill out a Sales Comparison Form, comparing 2 months of year-over-year sales data following the consultation to see if sales improved. Nine of the eleven businesses reporting showed an increase in sales ranging from 1.77% to 56%, with most percentage increases in the teens.

Guidelines and an application for Phase III, a grant assistance program, were developed in 2003 Program Year. Using Block Grant funds, the Grant Program (Phase III) will provide matching grants to participants who have completed Phase II of the program. The grants will help participants finance the costs of the recommended improvements to store interiors or marketing. The dollar amount of the grants will be given on an 80% reimbursement basis up to a total \$5,000.

Accomplishments: In Fiscal Year 2003, a total of 36 businesses participated in Phase I, II and III of the Best Retail Practice Program. 12 of the 36 continued on to Phase II and of those 12, 2 have applied for the grants.